

SENATE BILL 1827

By Johnson

AN ACT to amend Tennessee Code Annotated, Title 67,  
Chapter 2, Part 1, relative to tax levied on income  
from stock dividends and interest on bonds.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-2-102, is amended by deleting the section in its entirety and by substituting instead the following:

Section 67-2-102.

(a) An income tax shall be levied and collected on incomes derived by way of dividends from stocks or by way of interest on bonds of each person, partnership, association, trust and corporation in the state who received, or to whom accrued, or to whom was credited during any year income from the sources enumerated in this section, except as otherwise provided in this chapter.

(b)

(1) The income tax shall be levied and collected according to the following schedule:

<u>For tax years that begin</u>	<u>Tax Rate</u>
Prior to January 1, 2015	6.00%
During calendar year 2015	5.25%
During calendar year 2016	4.50%
During calendar year 2017	3.75%
During calendar year 2018	3.00%
During calendar year 2019	2.25%
During calendar year 2020	1.50%

During calendar year 2021	0.75%
On or after January 1, 2022	0.00%

(2) This subsection shall not be construed to absolve any taxpayer of liability for any tax duly levied by this section during any taxpayer's tax year beginning prior to January 1, 2022.

SECTION 2. This act shall take effect July 1, 2014, the public welfare requiring it.